REMARKS

Claim Status

Claims 3-21, 23-35 are pending in the present application. Claim 2 has been canceled without prejudice and without conceding the propriety of the outstanding rejection.

Allowed Claims

Applicants greatly appreciate the indication that claims 3-21 and 23-29 are allowed. Amended claims 6-8 and 24 are also believed to be in condition for allowance. (These claims are amended in an editorial manner and not in response to the art or any formal requirements. Thus, no forfeiture of equivalent arrangements is intended.).

Art-based Rejection

The rejection of claim 2 over U.S. Patent No. 5,771,317 (hereafter "Edgar") is deemed moot since claim 2 is canceled herein. (Nevertheless, we respectfully traverse the rejection.).

New claim 30 is loosely related to claim 2. We respectfully submit that Edgar does not teach or suggest the combination recited in claim 30. For example, Edgar is not understood to teach or suggest a method comprising: receiving a media signal, wherein the media signal comprises artifacts introduced by a transmission path; modifying the media signal to reduce or alter the artifacts, wherein said modifying provides a modified media signal; and analyzing the modified media signal to obtain a machine-readable code embedded in the media signal or to identify a predetermined pattern arranged in the media signal.

We respectfully request that claim 30 be allowed.

Favorable consideration of dependent claims 31-35 is also respectfully requested.

Information Disclosure Statement

An Information Disclosure Statement (IDS) and Form 1449 are submitted concurrently herewith. Consideration of the information disclosed therein is respectfully requested.

Conclusion

The present application is believed to be in condition for allowance. Nevertheless, the Examiner is invited to telephone the undersigned at 503-469-4685 if any issue remains. The Office is authorized to charge our deposit account no. 50-1071 any fees necessary for consideration of this Amendment or the accompanying petition.

Date: February 2, 2005

Customer No. 23735

Phone: 503-469-4685 FAX: 503-469-4777 Respectfully submitted,

DIGIMARC CORPORATION

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